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Fifty-first session

REPORT OF THE NINETEENTH MEETING OF THE STANDING COMMITTEE (27-28 September 2000)

I. INTRODUCTION

1. The meeting was opened by the Chairman of the Executive Committee, His Excellency, Ambassador Raimundo Pérez-Hernández y Torra (Spain). A minute of silence was held in memory of UNHCR staff slain in Guinea and Indonesia. Agenda item 3 was chaired by His Excellency, Ambassador Ali Khorram (Islamic Republic of Iran), Vice-Chairman of the Executive Committee.

II. ADOPTION OF THE AGENDA AND THE REPORT OF THE EIGHTEENTH MEETING

2. The agenda (EC/50/SC/CRP.24/Rev.1) and the *Draft Report of the Eighteenth Meeting of the Standing Committee* (EC/50/SC/CRP.23) were adopted without revision.

III. STAFF SAFETY AND SECURITY

3. Opening discussions on this item, the Deputy High Commissioner outlined the actions that UNHCR is undertaking following the incidents in Guinea and Indonesia: the inquiry that has been initiated by the High Commissioner; the process of determining how best to help refugees in West Timor; the review being undertaken by Bureaux to assess the Office's most dangerous operations; and measures being taken to strengthen staff security worldwide.

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4. Delegations taking the floor expressed their outrage over the killings. Many reemphasized the responsibility of States in ensuring the security of humanitarian workers on their soil. The NGO observer delegation expressed gratitude for the evacuation of NGO staff in West Timor. He emphasized the need for a decentralized, field-based approach which was grounded on partnership. Delegations stressed the need to enhance interagency cooperation on security issues. Several delegations supported the call for increased resources to improve the security of humanitarian staff and renewed their commitment to assist the Office in achieving this. One delegation requested an update on the proposals contained in EC/50/SC/INF.3, presented to the eighteenth meeting of the Standing Committee, and suggested that this could be presented to the next meeting of the Standing Committee, preceded by informal consultations. Another delegation, while recognizing the responsibility of host governments in ensuring the security of humanitarian personnel, pointed out the need for support to be given to States that might lack the capacity to fulfil this responsibility, possibly in the form of a security package.

IV. PROGRAMME AND FUNDING

5. Under this agenda item, the Standing Committee gave consideration to an update on UNHCR's programme and funding situation (A/AC.96/932, Annex 8), a Mid-Year Progress Report on UNHCR's activities in the first half of 2000 and the annual programme budget for 2001.

A. Update on programme and funding

6. The Director of the Division of Communication and Information (DCI) noted that, as anticipated, the unified budget had brought greater transparency. Reconciling needs with available funds, however, remained a difficult task. He said that there was a clear need for earlier planning, possibly on a biennial basis. In addition, he announced that a donor meeting was planned for immediately following the closure of the plenary session of the Executive Committee in an effort to more closely tie the approval of the budget with its funding. In a related initiative, a proposal to bring the Pledging Conference to Geneva was being pursued. The Director also informed delegations that the Office was expanding its private sector fund raising activities, but that this was a long-term endeavour, likely not to yield substantive results for at least another two years.

7. The Head of the Donor Relations and Resource Mobilization Service (DRRM) briefly reviewed the current financial situation of the Office, informing delegations that the Office faced a shortfall of $ 80 million in 2000, and provided projections until the end of the year. He also summarized lessons learnt in the first year working with the unified budget and made several recommendations on how to improve the resourcing of the budget in 2001.

8. The Acting Director of Division of Operational Support (DOS) informed delegations of the results of a further prioritization exercise which had

reduced the budget as reflected in Table 1.3 (A/AC.96/932/Corr.2) from $ 870,204,300 to $ 824,740,973. He emphasized that there was still a shortfall foreseen under the revised Annual Programme.

9. Delegations expressed concern over the funding shortfall faced by UNHCR and underlined the need to fully fund the budget adopted by the Executive Committee so that UNHCR may fulfil its mandate. UNHCR was encouraged to work towards a more achievable budget that emphasized core functions and clear priorities. Further details were requested on the mid-year reductions and the anticipated carry-over into 2001. One delegation asked for explanations on the use of the Operational Reserve and the possibility of reintroducing Trust Funds.

10. In response, the Director of DCI said the reintroduction of Trust Funds was premature at this stage. A more useful approach may be to agree on a lower and more achievable budget which ensured the funding of the core functions of the Office. The Head of DRRM confirmed that a fundable budget was a more viable basis to operate from, with additional contributions throughout the year to ensure that other needs were met. The Acting Director of DOS noted the need for a mechanism to be established for a strategic budgeting process. He also informed the meeting that the Operational Reserve is absolutely essential to the Office to face emergencies, as well as to cover new needs that emerged during the course of the year. In his summary, the Deputy High Commissioner said that the working of the unified budget necessitated cultural adjustment by all parties, more strategic planning on the part of UNHCR and predictable financial support from the donors.

B. Mid-Year Progress Report

11. The Head of DRRM introduced the 2000 Mid-Year Progress Report by noting that UNHCR had made an effort to assemble as much information as possible as to how budgetary constraints in the first half of 2000 had had an impact on its programmes. He promised that more would be done in future to describe the concrete impact of budget cuts on the lives and welfare of refugees and other persons of concern.

12. Several delegations noted with satisfaction the improvements in the format and content of the Report, in particular the description of revised objectives and priority activities for the remainder of the year; the Regional Overviews; and the emphasis on gender equality.

13. Delegations suggested a number of additional enhancements, including a sharper focus on budget shortfalls and their causes; a paragraph in each country chapter on how individual country offices had prioritized activities in the face of budgetary constraints; advancing the date of issue of the report, to allow delegations more time to analyse its content; a clearer indication of the results obtained with the resources entrusted to the Office; and greater prominence given to inter-agency coordination, notably with respect to internally displaced persons, and improvements to the United Nations system-wide emergency response. One delegation welcomed the fact that UNHCR had posted Country Operations Plans on its public website, as had been suggested by the

Committee. Another delegation noted that UNHCR's Mid-Year Progress Report and Global Report of activities adequately met the reporting requirements for its contributions.

14. Concluding the review, the Head of DRRM took note of the various observations and suggestions made. He also responded to a specific concern over information contained in one of the chapters. In addition, in response to a question by one delegation, he observed that there was no overlap between the Global Appeal, the Global Report and the Mid-Year Progress Report. There may, however, be some overlap between UNHCR's annual budget document and the Global Appeal, but it was recognized that the two documents had very different functions.

C. 2001 Annual Programme Budget

15. The Director of the Division of Resource Management (DRM) introduced the 2001 Annual Programme Budget (A/AC.96/932) by giving a brief explanation of its structure and main features. In line with the Advisory Committee on Administrative and Budgetary Questions (ACABQ) recommendations, it had been reduced in size and restructured. He informed delegations that the document had already been presented to the ACABQ earlier in the month and their report was available (A/AC.96/932/Add.1). He went on to point out that UNHCR's budget for 2001 totalled some $ 898 million, representing an accurate reflection of needs identified. It was a matter of concern that UNHCR again faced a shortfall in funding projections and in the light of this, donors were urged to have in-depth discussions before approving UNHCR's budget for 2001.

16. Delegations commented positively on the new format of the annual programme budget for 2001. They proposed a number of further improvements, including a hierarchy of goals and objectives for support costs. Several delegations recommended that security costs should be transparent and visible for all operations, and not as a single item under headquarter costs. Coordination with other United Nations agencies should be more explicit as well as a reference to the Consolidated Appeals Process. Information on the work of NGOs and other actors should also be included. One delegation supported the changes to Part 2 of the document, as recommended by the ACABQ.

17. Support was expressed on the workings of the Evaluation and Policy Analysis Unit (EPAU) and it was suggested that it become an integral part of the budget. Similarly, it was recommended that the Emergency Response Service should be strengthened as a core function of the Office.

18. Delegations suggested that consultations between UNHCR and donors on the budget should begin early in the year. It was recognized that long-term planning required early and predictable contributions. UNHCR should prioritise its budget so as to make sure that its core programmes were fully funded and present the effects of these exercises to donors.

19. The Director of DRM and the acting Director of DOS acknowledged the various concerns expressed and the suggestions made for improvements. They looked forward to a continued dialogue with donors on the various issues raised. In closing this item, the Chairman noted that there was general support for the budget and for total requirements as presented. This would form the basis for the Executive Committee's discussions on the budget at its forthcoming session.

V. COORDINATION

20. The Head of Secretariat and Inter-Organization Service presented a written update on coordination issues made available to the Standing Committee. The update included information on how to address the situation of internally displaced persons, as discussed at the humanitarian segment of the Economic and Social Council as well as discussions within the Inter-Agency Standing Committee. Other information in the paper concerned humanitarian assistance, peace-building and development, and the recently issued report of the Panel on United Nations Peace Operations (the Brahimi report). An implementation plan on the Brahimi report was due in mid-October 2000, to which UNHCR was contributing. The paper also provided an update on inter-agency efforts in the field of safety and security of humanitarian workers which were of particular relevance at this time. Lastly, it covered arrangements for the launch of Consolidated Appeals in 2001.

VI. MANAGEMENT, FINANCE, OVERSIGHT AND HUMAN RESOURCES

A. Finance and oversight

21. The Director of DRM introduced the first two sub-items under this agenda item by drawing the attention of the Standing Committee to the *Follow-up on the actions taken to implement the recommendations of the Board of Auditors in its report for the year ended 31 December 1998 (EC/50/SC/CRP.20)* and to *The Report of the Board of Auditors to the General Assembly on the Accounts of the Voluntary Funds Administered by UNHCR for the year ended 31 December 1999* (A/AC.96/933) as well as, *Measures taken or proposed in response to the recommendations in the Report of the Board of Auditors* (A/AC.96/933/Add.1).

22. The Director informed the Standing Committee that the Board of Auditors had retained only two recommendations from previous years that required further follow-up action, noting that this was an improvement over previous years. They concerned the receipt of audit certificates from implementing partners for the year 1998 and the preparation of workplans.

23. One delegation expressed satisfaction on the way in which UNHCR was responding to audit recommendations and noted the improved compliance rates of NGOs in providing audit certificates. With regard to inventory database submissions and other administrative tasks, this delegation acknowledged their importance, but expressed the hope that they would not be at the expense of the essential tasks of protecting and assisting refugees.

24. In response, the Director noted that the audit certificate compliance rate of UNHCR's partners was comparatively higher than those of other United Nations agencies. He undertook to provide a comparative analysis of the compliance rates since 1997, when audit certificates became compulsory, as requested by one delegation. On the question of accelerated sub-agreement procedures, he confirmed that an emergency system was in place, allowing the release of Emergency Letters of Instructions in 48 hours or less. In addition, he informed delegations that a review of human resources policies on recruitment and career development would take place in the coming year.

25. The Inspector General opened discussion on inspection activities by describing his recent inspection of UNHCR activities in Kenya. In referring to the document on inspection activities that was before the meeting (A/AC.96/934), a delegation stated that although confidentiality of inspection reports was necessary, it would be useful to have some indication of general trends observed as well as sharing results of specific investigations with States concerned.

26. On evaluation, the head of EPAU outlined the achievements of the unit and the directions it was seeking to follow. He also described some of the shortcomings, including the need to establish better linkages with other performance oversight mechanisms. The workplan for the year had also proved to be over ambitious with limited output so far (although several reports are nearing completion). In addition to the document on evaluation activities (A/AC.96/935), an information note was made available to delegations on follow-up to the Kosovo evaluation recommendations (EC/50/SC/INF.5) together with a paper on UNHCR's oversight and performance review framework (EC/50/SC/INF.6).

27. Following a discussion in which delegations showed a keen interest in this item, it was agreed that informal consultations would take place on evaluation issues, including the procedures for selecting topics for evaluation and modalities for joint evaluations involving government representatives and NGOs.

B. Change management

28. In his capacity as Chairman of the Operations Management Systems (OMS) Information Systems Board, the Director of DCI presented the update on change management (EC/50/SC/CRP.25) and described progress in the implementation of the OMS since the last consideration of this issue at the fifteenth meeting of the Standing Committee. He defined further developments which will take place during the remainder of the year.

29. One delegation asked if a timeframe had been set for the completion of related software tools and announced an additional contribution earmarked for this project. Another delegation felt that the implementation of the OMS framework was a prerequisite to the attainment of a strategic budgeting capacity and stressed the importance of completing the OMS framework as soon as possible.

30. In responding, the Chairman of the OMS Information Systems Board specified that Phase Zero of the customization process was scheduled for completion by the end of November 2000. This would make it possible to enter into Phase One of implementation of the project at the start of 2001.

VII. GOVERNANCE

31. The Senior Coordinator of the 50th Anniversary Unit opened his overview of the activities commemorating UNHCR's 50th anniversary by referring to the new public website www.unhcr-50.org, which provides details of all events around the world, and provided some examples of these events. He explained how the Geneva commemorative programme in December 2000 would serve as a platform to launch the public information campaign based on "RESPECT" for refugees, leading up to the commemoration of the 1951 Convention in July 2001 A Refugee Education Trust (RET), launched at the same time, is intended to provide post-primary education to adolescent refugees.

32. The Chairman stressed that the activities of the 50th Anniversary should be a on-going process and referred to the successful seminar held in Madrid in mid-2000, which could become an annual event, allowing discussion on human rights and humanitarian issues.

VIII. ANY OTHER BUSINESS

33. The Secretary made an announcement detailing arrangements for the fifty-first session of the Executive Committee. There being no further business, the Chairman closed the meeting.